

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 11-226—SB 417**

*Public Safety and Security Committee*

*Finance, Revenue and Bonding Committee*

**AN ACT ELIMINATING THE LIMIT ON TEACUP RAFFLE PRIZES  
AND AUTHORIZING GOLF BALL DROP RAFFLES**

**SUMMARY:** This act eliminates the \$250 prize limit on teacup raffles, thereby allowing prizes of unlimited value. By law, qualified organizations conducting bazaars may operate teacup raffles and award prizes consisting of gift certificates or merchandise.

The act also authorizes golf ball drop raffles and allows organizations conducting them to award cash and other prizes. Existing law, with some exceptions, bans cash prizes for bazaars and raffles. The act requires the Division of Special Revenue (DSR) executive director, with the Gaming Policy Board's advice and consent, to establish procedures for operating golf ball drop raffles.

EFFECTIVE DATE: October 1, 2011

**GOLF BALL DROP RAFFLES**

The act allows any qualified organization with a class No. 6 permit to operate a golf ball drop raffle once each calendar year. The raffle must conform to the provisions governing existing raffles. It allows the organization to award cash prizes in addition to those authorized under existing law for bazaars and raffles.

The act requires an organization conducting a golf ball drop raffle to deposit all the raffle proceeds in a special checking account it establishes and maintains. The account is subject to DSR audit. The organization must pay expenses incidental to the conduct of the raffle from gross receipts on checks drawn on the account. It must pay all cash prizes from the account.

The act defines "golf ball drop raffle" as a raffle in which golf balls, numbered consecutively to correspond with the number of raffle tickets sold, are dropped from a helicopter, hot air balloon, or other aircraft hovering above a designated target. The winning ticket is the one that corresponds to the number of the first golf ball that lands closest to the center of the designated target.

**BACKGROUND**

*Organizations Qualified to Conduct Bazaars and Raffles*

The law allows the following to conduct, operate, or sponsor bazaars or raffles if the town where they are located has adopted the Bazaar and Raffle Act: veterans', religious, civic, fraternal, educational, and charitable organizations; volunteer fire companies; and political parties and their town committees. Raffles may also be promoted and conducted if sponsored by towns acting through a

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designated centennial, bicentennial, or other centennial celebration committee. To conduct a bazaar or raffle, an organization must have a local permit.

### *Teacup Raffles*

An organization conducting teacup raffles must comply with DSR regulations. Among other things, it must conduct the raffle from an authorized booth and may conduct only one drawing for all prizes offered on any day a bazaar is permitted.

The law defines a “teacup raffle” as a raffle offering multiple merchandise through drawings from separate containers designated for each prize offered.

### *Raffle Permits*

DSR issues seven types of bazaar and raffle permits. Class No. 6 permits allow the operation of a raffle that must be conducted within one year of the date the permit is granted. The maximum aggregate value of prizes that an organization may award under this permit is \$100,000.

### *Raffle Prizes*

The law, with some exceptions, prohibits cash prizes or prizes that are redeemable for cash. It allows merchandise; tangible personal property; lottery tickets; or a ticket, coupon, or gift certificate, entitling the winner to merchandise, tangible personal property, services, or transportation to any tour facilities provided in connection therewith.

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